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Eleventh session

REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON THE WORK OF ITS TWENTY-EIGHTH SESSION

(25-27 May 2004)

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For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

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Introduction

1. The report of the Industrial Development Board on the work of its twenty-eighth session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the Board (IDB.28/SR.1-6), where the details of the proceedings are contained, form an integral part of the present report.

2. The following decisions of the Board, reproduced in annex I, are related to the work of the General Conference at its eleventh session:

IDB.28/Dec.2	Decentralization
IDB.28/Dec.7	International Centre for Science and High Technology

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

3. The twenty-eighth session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 25 to 27 May 2004 (six plenary meetings—see IDB.28/SR.1-6).

Participation

4. All 53 members of the Board were represented at the session: Algeria, Austria, Belgium, Bolivia, Brazil, Chile, China, Colombia, Côte d'Ivoire, Cuba, Denmark, Ecuador, Egypt, France, Germany, Ghana, Greece, Hungary, India, Indonesia, Iran (Islamic Republic of), Italy, Japan, Jordan, Kenya, Lesotho, Luxembourg, Mexico, Morocco, Netherlands, Nigeria, Norway, Pakistan, Philippines, Poland, Republic of Korea, Russian Federation, Saudi Arabia, Senegal, Slovakia, South Africa, Spain, Sudan, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela, Zimbabwe.

5. The following 45 Member States of UNIDO also participated in the session: Afghanistan, Albania, Angola, Argentina, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Cape Verde, Croatia, Cyprus, Czech Republic, Democratic People's Republic of Korea, Ethiopia, Finland, Gabon, Guatemala, Iraq, Ireland, Lebanon, Libyan Arab Jamahiriya, Lithuania, Madagascar, Malta, Monaco, Namibia, New Zealand, Nicaragua, Oman, Panama, Paraguay, Peru, Rwanda, Serbia and Montenegro, Sierra Leone, Slovenia, Sri Lanka, Sweden, Tajikistan, the former Yugoslav Republic of Macedonia, United Arab Emirates, Uzbekistan, Viet Nam, Yemen.

6. Palestine participated as observer.

7. The Sovereign Military Order of Malta participated as observer.

8. The following United Nations body was represented: United Nations Office on Drugs and Crime.

9. The following United Nations specialized agencies were represented: Food and Agricultural Organization of the United Nations, International Atomic Energy Agency.

10. The following other intergovernmental organizations were represented: European Union, International Centre for Genetic Engineering and Biotechnology, International Institute of Refrigeration, League of Arab States, Organization of the Islamic Conference.

11. The following non-governmental organizations were represented: Association of former United Nations Industry and Development Experts, Austrian Senior Experts Pool, Austro-Arab Chamber of Commerce, Austro-Egyptian Chamber of Commerce, Institut Supérieur de Gestion, International Congress of Industrialists and Entrepreneurs, International Federation for Medical and Biological Engineering, International Organization for Standardization, International Organization of Employers, Mountain Unlimited, Society for International Development, Soroptimist International, Volunteers Association for International Service, World Association for Small and Medium Enterprises, World Confederation of Labour.

Opening of the session

12. The twenty-eighth session of the Board was declared open by the President of the twenty-seventh session, Mr. R. González Aninat (Chile).

Officers of the session

13. In accordance with rule 23 of its rules of procedure, the Board elected by acclamation Mr. O. Zniber (Morocco) as President; Mr. T. Stelzer (Austria), Mr. M. Kalinin (Russian Federation) and Mr. S. Ariyapruchya (Thailand) as Vice-Presidents and Mr. G. Alvarez Goyoaga (Uruguay) as Rapporteur.

Agenda for the session

14. The Board adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director-General for 2003 on the activities of the Organization.

4. Outcome of the informal consultative groups.

5. Medium-term programme framework, 2004-2007, including:

   (a) Application of the Strategic Guidelines "Towards improved UNIDO programme delivery";

   (b) South-South cooperation;

   (c) UNIDO activities in countries emerging from crisis situations;

   (d) Decentralization.

6. Financial situation of UNIDO.

7. Transition to a single-currency system.

8. Activities of the Joint Inspection Unit.

9. Global Biotechnology Forum.

10. International Centre for Science and High Technology.

11. Matters related to intergovernmental, non-governmental, governmental and other organizations.

12. Provisional agenda and date of the twenty-ninth session.

13. Date and place of the eleventh session of the General Conference.

14. Adoption of the report.

15. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.28/Dec.1, IDB.28/SR.1, paras. 80 and 81).

16. The Board decided to set up informal, in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-President Mr. T. Stelzer (Austria) (see IDB.28/SR.2, paras. 1 and 2) to chair those consultations.

II. ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2003 ON THE ACTIVITIES OF THE ORGANIZATION (item 3)

17. Under item 3, the Board had before it the Annual Report of the Director-General for 2003 on the activities of the Organization (IDB.28/2) including the programme performance report and the list of technical cooperation activities (IDB.28/2/Add.1). The debate on this item is reflected in summary records IDB.28/SR.2, paragraphs 35 to 105 and IDB.28/SR.3, paragraphs 1 to 81. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.28/SR.6, paras. 5 and 6).

III. OUTCOME OF THE INFORMAL CONSULTATIVE GROUPS (item 4)

18. Under item 4, the Board had before it a report by the Director-General on the outcome of the informal consultative groups (IDB.28/7) and two notes by the Secretariat IDB.28/6 and IDB.28/CRP.6. The debate on this item is reflected in summary records IDB.28/SR.3, paragraphs 82 to 116 and IDB.28/SR.4, paragraphs 13 to 26 . At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.28/SR.6, paras. 7 and 8).

IV. MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007 (item 5), INCLUDING: APPLICATION OF THE STRATEGIC GUIDELINES "TOWARDS IMPROVED UNIDO PROGRAMME DELIVERY" (item 5 (a)); SOUTH-SOUTH COOPERATION (item 5 (b)); UNIDO ACTIVITIES IN COUNTRIES EMERGING FROM CRISIS SITUATIONS (item 5 (c)); DECENTRALIZATION (item 5 (d))

19. Under item 5, the Board had before it a report by the Director-General on the implementation of the medium-term programme framework, 2004-2007 (including the application of the Strategic Guidelines) (IDB.28/3), a note by the Secretariat (IDB.28/CRP.9), information on South-South cooperation as contained in the *Annual Report 2003* (IDB.28/2, chap. IV.G), a report by the Director-General on UNIDO activities in countries emerging from crisis situations (IDB.28/5), a note by the Secretariat (IDB.28/CRP.4) and two notes by the Secretariat on decentralization (IDB.28/6) and (IDB.28/CRP.7). The debate on item 5 is reflected in summary record IDB.28/SR.4, paragraphs 27 to 141. The Board considered a draft decision submitted by the President (IDB.28/L.9) and adopted decision IDB.28/Dec.2 (see annex I).

V. FINANCIAL SITUATION OF UNIDO (item 6); TRANSITION TO A SINGLE-CURRENCY SYSTEM (item 7)

20. The Board decided to discuss simultaneously items 6 and 7. The debate on the items is reflected in summary record IDB.28/SR.4, paragraphs 142 to 154.

A. Financial situation of UNIDO

21. Under item 6, the Board had before it a report by the Director-General on the financial situation of UNIDO (IDB.28/10) and updated information on the financial situation of UNIDO (IDB.28/CRP.5). The Board considered two draft decisions submitted by the President (IDB.28/L.3 and IDB.28/L.8) and adopted decisions IDB.28/Dec.3 and IDB.28/Dec.4 (see annex I).

B. Transition to a single-currency system

22. Under item 7, the Board had before it a report by the Director-General on transition to a single-currency system (IDB.28/9). The Board considered a draft decision submitted by the President (IDB.28/L.2) and adopted decision IDB.28/Dec.5 (see annex I).

VI. ACTIVITIES OF THE JOINT INSPECTION UNIT (item 8)

23. Under item 8, the Board had before it a report by the Director-General on the activities of the Joint Inspection Unit (IDB.28/4). The debate on the item is reflected in summary record IDB.28/SR.4, paragraphs 155 and 156. At the proposal of the President, the Board took note of the documentation provided by the Secretariat (IDB.28/SR.6, paras. 17 and 18).

VII. GLOBAL BIOTECHNOLOGY FORUM (item 9)

24. Under item 9, the Board had before it a report by the Director-General and a note by the Secretariat on the Global Biotechnology Forum (IDB.28/8 and IDB.28/CRP.3 respectively). The debate on item 9 is reflected in summary record IDB.28/SR.5, paragraphs 1 to 42. The Board considered a draft decision submitted by the President (IDB.28/L.5) and adopted decision IDB.28/Dec.6 (see annex I).

VIII. INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY (item 10)

25. Under item 10, the Board took note of the entry contained in the annotated provisional agenda (IDB.28/1/Add.1). The debate on item 10 is reflected in summary record IDB.28/SR.5, paragraphs 62 to 72. The Board considered a draft decision submitted by the President (IDB.28/L.10) and adopted decision IDB.28/Dec.7 (see annex I).

IX. MATTERS RELATED TO INTER-GOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS (item 11)

26. Under item 11, the Board had before it two notes by the Director-General on applications from non-governmental organizations for consultative status (IDB.28/12 and IDB.28/12/Add.1). The debate on item 11 is reflected in summary record IDB.28/SR.5, paragraphs 73 to 76. The Board considered a draft decision submitted by the President (IDB.28/L.4) and adopted decision IDB.28/Dec.8 (see annex I).

X. PROVISIONAL AGENDA AND DATE OF THE TWENTY-NINTH SESSION (item 12)

27. Under item 12, the Board had before it a conference room paper containing a note by the Director-General on the provisional agenda and date of the twenty-ninth session (IDB.28/CRP.2). The debate on item 12 is reflected in summary record IDB.28/SR.5, paragraph 77. The Board considered a draft decision submitted by the President (IDB.28/L.6) and adopted decision IDB.28/Dec.9 (see annex I).

XI. DATE AND PLACE OF THE ELEVENTH SESSION OF THE GENERAL CONFERENCE (item 13)

28. Under item 13, the Board considered two notes by the Secretariat on date and place of the eleventh session of the General Conference (IDB.28/11) and (IDB.28/CRP.8). The debate on item 13 is reflected in summary record IDB.28/SR.5, paragraphs 43 to 61. The Board considered a draft decision submitted by the President (IDB.28/L.7) and adopted decision IDB.28/Dec.10 (see annex I).

XII. ADOPTION OF THE REPORT (item 14)

29. The Board considered the draft report (IDB.28/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report (see summary record IDB.28/SR.6, paras. 39 to 41).

XIII. CLOSURE OF THE SESSION

30. On 27 May 2004, at 4.45 p.m., the Board closed its twenty-eighth session (see IDB.28/SR.6, paras. 42 to 47).

Annex I

DECISIONS ADOPTED BY THE BOARD AT ITS TWENTY-EIGHTH SESSION

Decision No.	Title	Page
IDB.28/Dec.1	Utilization of available conference-servicing resources (IDB.28/SR.1, paras. 80 and 81)	6
IDB.28/Dec.2	Decentralization (IDB.28/SR.6, paras. 35 to 38)	6
IDB.28/Dec.3	Financial situation of UNIDO (IDB.28/SR.6, paras. 11 and 12)	6
IDB.28/Dec.4	Restoration of voting rights—Ukraine (IDB.28/SR.6, paras. 13 and 14)	6
IDB.28/Dec.5	Transition to a single-currency system (IDB.28/SR.6, paras. 15 and 16)	7
IDB.28/Dec.6	Global Biotechnology Forum (IDB.28/SR.6, paras. 19 and 20)	7
IDB.28/Dec.7	International Centre for Science and High Technology (IDB.28/SR.6, paras. 21 and 22)	7
IDB.28/Dec.8	Applications from non-governmental organizations for consultative status (IDB.28/SR.6, paras. 23 and 24)	11
IDB.28/Dec.9	Provisional agenda and date of the twenty-ninth session (IDB.28/SR.6, paras. 25 and 26)	11
IDB.28/Dec.10	Date and place of the eleventh session of the General Conference (IDB.28/SR.6, paras. 27 and 28)	12

IDB.28/Dec.1 UTILIZATION OF AVAILABLE CONFERENCE-SERVICING RESOURCES

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum possible effect, decided to suspend with immediate effect rule 32 of its rules of procedure relating to the quorum, for the meetings of its twenty-eighth session only and provided no substantive decisions were taken at those meetings.

1st plenary meeting
25 May 2004

IDB.28/Dec.2 DECENTRALIZATION

The Industrial Development Board:

(a) Recalled that the Business Plan on the Future Role and Functions of UNIDO called for an effective decentralization of activities and strengthened field representation;

(b) Also recalled General Conference resolutions GC.10/Res.2 and GC.10/Res.10;

(c) Noted the establishment of the informal advisory group on decentralization (IDB.28/7, para. 13);

(d) Recommended to the Secretariat to take into account the conclusions of the report on the assessment/evaluation of UNIDO's field representation in order to elaborate and pursue the best option for further strengthening and rationalizing its field presence with the aim of increasing and extending its technical cooperation delivery while enhancing its participation in the United Nations system at the country level;

(e) Invited the Director-General to continue his dialogue with the United Nations Development Programme (and possibly other United Nations agencies), with a view to submitting a proposal on a potential alliance in the field and in the context of the United Nations ongoing reform process for further consideration by the Industrial Development Board and/or the General Conference. The future field representation scheme should preserve and build upon UNIDO's achievements in the various regions. It should also:

(i) Promote increased and extended technical cooperation delivery by UNIDO with improved efficiency and results based on the work of its most successful offices;

(ii) Increase its participation in common United Nations initiatives at the country level;

(iii) Develop synergies, inter alia between UNDP and UNIDO, while ensuring that UNIDO core competencies are respected and promoted, and that its own identity, visibility and ability to carry out its mandates are maintained;

(iv) Remain within the limits of existing budgetary resources;

(f) Recommended that UNIDO's new field presence be expanded in a carefully planned, phased-in approach.

6th plenary meeting
27 May 2004

IDB.28/Dec.3 FINANCIAL SITUATION OF UNIDO

The Industrial Development Board:

(a) Took note of the information provided in document IDB.28/10;

(b) Urged those Member States that had not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay.

6th plenary meeting
27 May 2004

IDB.28/Dec.4 RESTORATION OF VOTING RIGHTS—UKRAINE

The Industrial Development Board:

(a) Recalled General Conference decision GC.9/Dec.12;

(b) Also recalled General Conference decision GC.10/Dec.8, in which the Conference elected Ukraine to membership in the Industrial Development Board;

(c) Noted that payments of Ukraine had been fully realized in accordance with the conditions of the payment plan;

(d) Gave satisfaction to the request by Ukraine for the restoration of its voting rights in accordance with Article 5.2 of the UNIDO Constitution.

6th plenary meeting
27 May 2004

IDB.28/Dec.5 TRANSITION TO A SINGLE-CURRENCY SYSTEM

The Industrial Development Board:

(a) Took note of the information provided in document IDB.28/9 on the transition to a single-currency system, in particular regarding the preparation of the accounts for the biennium 2002-2003;

(b) Noted with satisfaction the steps taken by the Director-General to ensure the implementation of the euro;

(c) Requested the Director-General to inform Member States of further developments related to the transition to a single-currency system, as well as on the financial management of technical cooperation projects in both dollars and euros.

6th plenary meeting
27 May 2004

IDB.28/Dec.6 GLOBAL BIOTECHNOLOGY FORUM

The Industrial Development Board:

(a) Recalled General Conference resolution GC.10/Res.7 and Industrial Development Board decisions IDB.26/Dec.8 and IDB.27/Dec.8 on the Global Biotechnology Forum, convened from 2 to 5 March 2004 at Concepción, Chile;

(b) Also recalled United Nations General Assembly resolution 57/237 on the Global Biotechnology Forum;

(c) Took note of document IDB.28/8;

(d) Expressed its appreciation to the Government of Chile for its generous hospitality and excellent arrangements for the Forum;

(e) Also expressed its appreciation to the Governments of Austria, Brazil, China and Kenya for their contributions in hosting the respective regional meetings, which provided valuable inputs to the success of the Forum;

(f) Called upon the Director-General to take into account the final statement of the Global Biotechnology Forum, as contained in annex II to document IDB.28/8, in planning and implementing relevant follow-up activities fully within UNIDO's mandate.

6th plenary meeting
27 May 2004

IDB.28/Dec.7 INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY

The Industrial Development Board:

(a) Took note of decision GC.10/Dec.19, adopted by the General Conference at its tenth session, which approved the broad outline of the draft statute of the International Centre for Science and High Technology, as contained in annex III to document GC.10/7/Add.1, and delegated its final approval to the Industrial Development Board;

(b) Also took note that the General Conference decided to approve articles IV (Finance), X (Programme and Budget) and XIV (Dissolution), subject to the final approval of the statute by the Industrial Development Board;

(c) Further took note that the Conference referred to the Board articles I to III, V to IX, XI to XIII and XV, with a view to their finalization and adoption;

(d) Having reviewed the matter, decided to adopt the draft statute as contained in the annex to the present decision, which would enter into effect, subject to the approval by the twenty-ninth session of the Board of the arrangements to be proposed jointly by the Government of Italy and the UNIDO Secretariat with a view to ensuring that the new statute of the ICS does not lead to any liability for UNIDO;

(e) Decided further that, pending the adoption by the UNIDO General Conference of financial regulations for the Centre, the existing financial regulations and rules of UNIDO would apply.

6th plenary meeting
27 May 2004

ANNEX

STATUTE OF THE INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY

Article I
Objectives

1. The International Centre for Science and High Technology (hereinafter referred to as "the Centre") has been established to further the action of the United Nations Industrial Development Organization (hereinafter referred to as "UNIDO") in the areas covered by Article 2 (j) of the latter's Constitution.

2. The Centre shall have the objectives conferred on the International Centre for Science and High Technology, established in 1996, namely:

(a) To further, for the benefit of developing countries, the utilization of applied science for peaceful aims, and the development of science-based technologies;

(b) To promote and stimulate high-level research with a direct involvement of developing countries' scientists; and

(c) To provide conditions and structures for the professional promotion of scientists and technicians of developing countries.

3. The languages of instruction shall, in principle, be English, French and Spanish.

Article II
Functions

1. To fulfil the objectives mentioned in Article I, the Centre shall carry out the following main functions:

(i) Long-term and short-term training;

(ii) Research;

(iii) Conduct of workshops and scientific meetings;

(iv) Operation of a scheme of visiti g scientists and associates;

(v) Advisory services;

(vi) Cooperation with industry;

(vii) Cooperation with and affiliation of relevant national institutions; and

(viii) Transfer of technologies.

2. In the performance of these functions, priority shall be given to the following subject areas:

(i) Pure and applied chemistry;

(ii) Earth, environmental and marine sciences and technologies; and

(iii) High technology and new materials.

3. The work shall be organized in such ways as will facilitate integration between the above areas, improving the related strategies.

Article III
Legal Status

1. The Centre, established within the constitutional framework of UNIDO as a subsidiary organ, is a non-profit-making scientific institution.

2. The Centre shall possess such legal capacity as may be necessary or desirable for the achievement of its purposes. In particular, it shall have the capacity:

(a) To contract;

(b) To acquire and dispose of movable and immovable property; and

(c) To institute and defend legal proceedings.

3. The Centre shall enjoy such privileges and immunities as may be necessary for the fulfilment of its purposes. These privileges and immunities shall be specified in separate arrangements.

Article IV
Finance

1. The Centre's budget shall be financed from voluntary contributions, made in the framework of Article 16 of the Constitution, by:

(i) Governments;

(ii) Intergovernmental organizations;

(iii) International non-governmental organizations; and

(iv) Other non-governmental sources,

as well as from income earned from the sale of its publications or similar material and from the exploitation or use of intellectual and other property rights.

2. Contributions to the budget from the Government of the country in which the Centre is located (hereinafter referred to as "the host Government"), from any other Member of UNIDO or from any intergovernmental organization having relations with UNIDO under Article 19.1 (a) of the Constitution may be the subject of special agreements, on an annual or longer basis, between the governments or organizations concerned and UNIDO.

3. Financial Regulations shall be adopted by the General Conference of UNIDO for the Centre. They shall be amended, as necessary, by the General Conference on the recommendation of the Steering Committee referred to in Article V (i) or after consultation with the Steering Committee. The Financial Regulations shall make provision for the

Managing Director to issue financial rules to give effect to the provisions of the Financial Regulations. Such rules shall be communicated to the Steering Committee for approval.

4. The funds and assets of the Centre shall be administered and accounted for separately from the assets of UNIDO.

5. UNIDO shall, where necessary, provide the Centre with appropriate administrative support. The Centre shall reimburse such support at a level that shall be determined from time to time in consultations between UNIDO and the Centre.

Article V
Organs

The Centre shall comprise the following organs:

(i) A Steering Committee;

(ii) An International Scientific Committee;

(iii) A Secretariat.

Article VI
The Steering Committee

1. The Steering Committee shall be responsible for the general management of the Centre. It shall submit to UNIDO an annual report on the Centre's activities.

2. The Steering Committee shall be composed of:

(i) One representative of each Government for which a special agreement referred to in Article IV.2 is in force;

(ii) One further representative of the host Government, who shall be a qualified scientist;

(iii) The Director-General of UNIDO or his representative;

(iv) One further representative of UNIDO; and

(v) Representatives of other Governments of Members selected by the Industrial Development Board in the number and for the period decided by it, with due regard to ensuring an equitable geographical representation of Governments on the Steering Committee.

3. A representative of each organization for which a special agreement referred to in Article IV.2 is in force may participate in the Steering Committee with the same rights as members of that Committee except the right to vote.

4. Each Member of the Steering Committee shall have one vote. Decisions shall wherever possible be taken by consensus. Other Governments and organizations may, on the invitation of the Steering Committee, participate in its discussions as observers. The Steering Committee shall establish rules of procedure for its own functioning that are consistent with the provisions of this Statute.

5. The Director-General of UNIDO or his representative shall be the Chairperson of the Steering Committee.

6. The Steering Committee shall meet at least once a year normally at the seat of the Centre and whenever considered necessary by its Chairperson. It shall be convened by the Managing Director, who shall be its Secretary.

7. The Managing Director shall be empowered, between sessions of the Steering Committee, to deal with any matter which may be delegated to him by the Steering Committee.

Article VII
The International Scientific Committee

1. The International Scientific Committee shall reflect the relevant scientific disciplines and include an adequate number of qualified scientists and technologists from developing countries and from the host country.

2. The composition of the Committee shall be decided by the Director-General of UNIDO, taking into consideration the proposals of the Steering Committee, the Managing Director and the Rector referred to in Article VIII. The Director-General of UNIDO or his representative shall be entitled to participate in the work of the Committee.

3. The Committee shall be convened by the Managing Director at least once a year and whenever considered necessary by the Director-General of UNIDO.

4. The Committee shall review the programme and budget of the Centre from the scientific point of view and shall make comments and recommendations thereon. It shall submit an annual report to the Steering Committee.

Article VIII
The Rector

1. The members of the International Scientific Committee shall annually elect or re-elect the Rector of the Centre from among the Committee's members.

2. The Rector shall chair the International Scientific Committee, shall provide guidance on the Centre's scientific activities when so requested by the Managing Director and shall perform such other functions as are specified in this Statute or as may be requested by the Steering Committee.

Article IX
The Secretariat

1. The Secretariat shall be headed by the Managing Director of the Centre, who shall be selected and appointed by the Director-General of UNIDO after consultation with the representatives of Governments on the Steering Committee.

2. The staff of the Centre shall be selected and appointed by the Director-General of UNIDO.

(a) The appointment of staff will be in accordance with the provisions of the UNIDO Staff Regulations and Rules and administrative instructions;

(b) The terms and conditions of employment will be according to the provisions of UNIDO's Staff Regulations and Rules, administrative instructions and, shall conform, as applicable, to those of the United Nations Common System as determined by the International Civil Service Commission.

3. The Managing Director:

(a) Under the authority of the Director-General, shall act as the representative for matters relating to the Centre and shall be responsible for its administration and operations;

(b) Shall be responsible for the selection of fellows;

(c) Shall draw up the Centre's programme and budget in accordance with Article X; and

(d) Shall report to the Steering Committee on the Centre's activities.

4. The Managing Director and staff of the Centre shall be paid from the Centre's funds.

5. The staff of the Centre shall be subject to the authority of the Director-General and administered by the Managing Director in the exercise of their daily functions.

6. The Managing Director shall be responsible to the Director-General of UNIDO and subject to the latter's overall authority in the exercise of the functions conferred on the Managing Director.

7. The Managing Director and the staff of the Centre shall have the status and obligations of officials of UNIDO.

8. The Steering Committee shall lay down general rules for the selection of fellows.

9. The Managing Director and the staff of the Centre shall carry out their responsibilities as international civil servants. They shall respect the international character of the Centre and ensure that the teaching given therein is objective and independent.

10. The Secretariat of the Centre shall service the Steering Committee and the International Scientific Committee.

Article X
Programme and budget

The programme and budget of the Centre shall be drawn up by the Managing Director, after consultation with the Chairperson of the Steering Committee and the Rector and after having considered the recommendations of the International Scientific Committee. The programme and budget shall then be presented to the Steering Committee for review and adoption. The adopted budget shall be presented to UNIDO for approval.

Article XI
Cooperation with other international organizations

The Centre may make technical arrangements with the United Nations, and with Specialized Agencies and other intergovernmental organizations, as well as with non-governmental organizations, to pursue activities in conformity with its objectives as set forth in Article I.

Article XII
Location

The Centre shall be located in Italy on premises to be provided under a headquarters agreement between UNIDO and the Italian Government.

Article XIII
Amendment of the Statute

This Statute may be amended at any time by the General Conference of UNIDO on the recommendation of the Steering Committee or after consultation with it.

Article XIV
Dissolution

1. The Centre may be dissolved by the General Conference of UNIDO.

2. In the event of the Centre being dissolved, its remaining funds and assets shall be used in accordance with instructions to be issued by the General Conference of UNIDO, except to the extent that the disposal of the unspent balances of any contributions made to or for the Centre may be subject to conditions attached by the donors and accepted by the Centre or UNIDO at the time such contributions were made.

Article XV
Effective date

This Statute shall formally enter into effect on the date decided by the General Conference of UNIDO or the Industrial Development Board.

IDB.28/Dec.8 APPLICATIONS FROM NON-GOVERNMENTAL ORGANIZATIONS FOR CONSULTATIVE STATUS

The Industrial Development Board:

(a) Took note of the information provided in documents IDB.28/12 and Add.1;

(b) Decided, in accordance with Article 19.1 (b) of the Constitution and the guidelines for the relationship of UNIDO with intergovernmental, governmental, non-governmental and other organizations (General Conference decision GC.1/Dec.41, annex, para. 17), to grant consultative status with UNIDO to the following four non-governmental organizations:

- Oasis Open City Foundation (FOCA)
- International Centre for Trade and Sustainable Development (ICTSD)
- International Investment Center (IIC)
- International Network for Small and Medium Sized Enterprises (INSME)

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IDB.28/Dec.9 PROVISIONAL AGENDA AND DATE OF THE TWENTY-NINTH SESSION

The Industrial Development Board:

(a) Took note of the information contained in document IDB.28/CRP.2;

(b) Decided to approve the following provisional agenda for its twenty-ninth session:

1. Adoption of the agenda.
2. Report of the Programme and Budget Committee:
   (a) Report of the External Auditor, financial performance report and programme performance report for the biennium 2002-2003;
   (b) Special accounts arising from decision GC.9/Dec.14;
   (c) Transition to a single-currency system;
   (d) Financial situation of UNIDO;
   (e) Security enhancements and proposed new conference facilities;
   (f) Mobilization of financial resources.
3. Implementation of the medium-term programme framework, 2004-2007, including:
   (a) South-South cooperation;
   (b) UNIDO activities in countries emerging from crisis situations;
   (c) Decentralization;
   (d) Application of the Strategic Guidelines "Towards improved UNIDO programme delivery";
   (e) UNIDO follow-up to the Global Biotechnology Forum.
4. Status of work of the informal consultative groups.
5. Report by the Evaluation Group of activities in the previous year.
6. Personnel matters.
7. International Centre for Science and High Technology.
8. Date, place and preparation of the eleventh session of the General Conference.
9. Provisional agenda and date of the thirtieth session.
10. Adoption of the report.

(c) Decided to hold its twenty-ninth session from 9 to 11 November 2004.

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IDB.28/Dec.10 DATE AND PLACE OF THE ELEVENTH SESSION OF THE GENERAL CONFERENCE

The Industrial Development Board:

(a) Recalled General Conference resolution GC.10/Res.11;

(b) Expressed its appreciation for the generous offer of the Government of Colombia to host the eleventh session of the General Conference, reiterated by the President of Colombia, His Excellency Mr. Alvaro Uribe, to the Director-General, Mr. Carlos Magariños, during his recent visit to Colombia;

(c) Took note with satisfaction of the information concerning the arrangements for holding the eleventh session of the Conference at Cartagena de Indias, Colombia, as described in documents IDB.28/11 and IDB.28/CRP.8, and in particular of the excellent conference facilities available;

(d) Considered the commitment of the Colombian Government to assume the additional costs of that event, in accordance with UNIDO financial regulations and rules, including the facilitation, in conjunction with UNIDO, for full participation of all Member States, and in particular of least developed countries;

(e) Expressed appreciation for the financial proposal presented by the delegation of Colombia during the current session of the Industrial Development Board;

(f) Requested the Director-General to continue consultations and to provide delegations with further documentation in good time in order to reach a decision on the proposal to hold the next session of the General Conference at Cartagena de Indias, Colombia, during the next session of the Industrial Development Board.

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Annex II

DOCUMENTS SUBMITTED TO THE BOARD AT ITS TWENTY-EIGHTH SESSION

Symbol	Agenda item	Title
IDB.28/1	2	Provisional agenda
IDB.28/1/Add.1	2	Annotated provisional agenda
IDB.28/2 PBC.20/2	3	*Annual Report 2003*
IDB.28/2/Add.1 PBC.20/2/Add.1	3	*Annual Report 2003*. List of technical cooperation activities
IDB.28/3	5	Medium-term programme framework, 2004-2007. Implementation of the medium-term programme framework, 2004-2007. Report by the Director-General
IDB.28/4	8	Activities of the Joint Inspection Unit. Report by the Director-General
IDB.28/5	5 (c)	UNIDO activities in countries emerging from crisis situations. Report by the Director-General
IDB.28/6	4 and 5 (d)	Decentralization. Outcome of the informal consultative groups. Note by the Secretariat
IDB.28/7	4	Outcome of the informal consultative groups. Report by the Director-General
IDB.28/8	9	Global Biotechnology Forum. Report by the Director-General
IDB.28/9	7	Transition to a single-currency system. Report by the Director-General
IDB.28/10	6	Financial situation of UNIDO. Report by the Director-General
IDB.28/11	13	Date and place of the eleventh session of the General Conference. Note by the Secretariat
IDB.28/12 and Add.1	11	Matters related to intergovernmental, non-governmental, governmental and other organizations. Applications from non-governmental organizations for consultative status. Note by the Director-General
		Conference room papers
IDB.28/CRP.1	2	Adoption of the agenda. List of documents
IDB.28/CRP.2	12	Provisional agenda and date of the twenty-ninth session. Note by the Director-General
IDB.28/CRP.3	9	Global Biotechnology Forum. Note by the Secretariat
IDB.28/CRP.4	5(c)	UNIDO activities in countries emerging from crisis situations. Targeting human security in post-crisis industrial rehabilitation and reconstruction. Note by the Secretariat
IDB.28/CRP.5	6	Financial situation of UNIDO. Note by the Secretariat
IDB.28/CRP.6	4	Outcome of the informal consultative groups. Note by the Secretariat
IDB.28/CRP.7	5(d)	Decentralization. Note by the Secretariat
IDB.28/CRP.8	13	Date and place of the eleventh session of the General Conference. Note by the Secretariat
IDB.28/CRP.9	5	Medium-term programme framework, 2004-2007. Status of the integrated programmes and country service frameworks. Note by the Secretariat
IDB.28/CRP.10	-	List of participants